International Best Practices In Directory Models

The analysis looked at **global implementations** of directories and started with the **foundational core attributes** identified in its previous Beneficial Characteristics white paper, which were…

Safety	Interoperability	Governance
Secure and private payments	Network agnostic for customers and businesses	Operating rules and guidelines

Why was this research done?

FPC's Directory Models International Best Practices Work Group investigated six directory overlays to faster payment systems to assess capabilities and inform best practices.

Key Considerations

Federated Directories
Can federation work in the US too?

Payment Infrastructure
To what extent can existing payment networks be leveraged?

Platform Ecosystems
How can third-parties add value to the ecosystem?

Including Non-Banks
How does including non-financial institutions impact the payment ecosystem?

…and then drilled into the **key core** and **value-added characteristics** of each approach…

Payment Directory	🇪🇸 bizum	🇨🇦 Interac	🇧🇷 pix	🇮🇳 UPI	🇸🇪 swish	🇰🇪 M-PESA
Core Characteristics						
Routing Accuracy Validation	✓	✓	✓	✓	✓	✓
Unique Payment Aliases	✓	✓	✓	✓	✓	✓
Multiple Payment Routes	✗	✗	✗	✗	✗	✗
Limits Sensitive Information	✓	✓	✓	✓	✓	✗
Prohibits Payment Mining	✓	✓	✓	✓	✓	✓
End User Controlled Profiles	✓	✓	✓	✓	✓	✓
Value-Added Characteristics						
Confirmation-of-Payee	✓	✓	✓	✓	✓	✓
Request-for-Payment	✓	✓	✓	✓	✓	✓

Key Observations

Broad ecosystem **interoperability was not found.**
Some interoperability characteristics identified and included account reach in the market.

Two types of **Governance** structures identified included **Consortium-Led/Bank-Owned** and **Mobile Operator-Led**

Three key factors identified as **Safety** procedures: (1) **what type of payment data is visible to the sending party**, (2) **sender authentication**, and (3) **type of directory**

…along with comparisons of the **use cases** implemented…

Use Cases	bizum	Interac	pix	UPI	swish	M-PESA
P2P Payments	✓	✓	✓	✓	✓	✓
B2B Payments	✗	✓	✓	✗	✗	✗
C2B: E-Commerce	✓	✓	✓	✓	✓	✓
C2B: Physical POS	✓	✓	✓	✓	✓	✓
C2B: Bill pay	✗	✗	✓	✗	✓	✗

…and the **directory type, aliases supported**, plus some **stats**…

Directory Quick Facts

	bizum	Interac	pix	UPI	swish	M-PESA
Type of Directory	Federated	Centralized	Centralized	Federated	Federated	Centralized
Aliases Supported	📱	✉️ 📱	📱 + TIN & Random ID	📱 + SSN, Virtual Address, Mobile Money ID	📱	📱
Registered Users	19 million+	30 million+	129 million+	200 million+	8 million+	28 million+
2021 Transactions	511 million	960 million	9.5 billion	38.7 billion	700 million+	15.2 billion

The content for this infographic is a high-level summary of details and statistics from the FPC's Directory Models Work Group white paper, **International Best Practices in Directory Models.**

An additional FPC members-only resource with the complete research is available, **Research Detail: International Best Practices in Directory Models Report.**

About the U.S. Faster Payments Council (FPC)

The FPC is an industry-led membership organization whose vision is a world-class payment system where Americans can safely and securely pay anyone, anywhere, at any time and with near-immediate funds availability. By design, the FPC encourages a diverse range of perspectives and is open to all stakeholders in the U.S. payment system. Guided by principles of fairness, inclusiveness, flexibility, and transparency, the FPC uses collaborative, problem-solving approaches to resolve the issues that are inhibiting broad faster payments adoption in this country. For more information, please visit **FasterPaymentsCouncil.org.**

About the FPC's Directory Models Work Group

The Directory Models Work Group evaluates information, including reports produced by other industry-led work groups, intended to identify and assess an approach for best practices across directory models and/or dependent platforms for the faster payments ecosystem.

For more information, visit FasterPaymentsCouncil.org/Work-Groups.